



PRESS RELEASE

House National Security Committee

Floyd D. Spence, Chairman

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STATEMENT OF THE HONORABLE FLOYD SPENCE

FULL COMMITTEE HEARING ON LINE ITEM VETO

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This morning, the committee meets to receive testimony on the President's recent use of line-item veto authority to cancel 38 military construction projects and 13 line-item appropriations supporting various other programs of the Department of Defense.

Although the disposition of line-item vetoes will essentially remain within the purview of the Committee on Appropriations, it is important for this committee to help fully establish the record on the specific items the President has canceled, the rationale underlying the cancellations and the effect the delay of these projects and programs may have on the armed forces.

To date, the President has exercised the line-item veto authority on five measures passed by Congress, canceling 62 specific items. Fifty-one of those 62 items were defense related. Given chronic shortfalls in the defense budget, the President's cancellation of many of these projects, including many that are contained in his own five year plan, is troubling.

Earlier this year, Congress reached agreement with the President on the budget. Both the Military Construction Appropriations Act and the Department of Defense Appropriations Act for fiscal year 1998 are within the limits for defense spending established by the Budget Agreement. In providing for the needs of the military services, Congress kept its part of the bargain. In one sense, the President's line item vetoes represent a partial repudiation of the Budget Agreement. Over 430 million dollars, which had been available for defense under the agreement, will now be permanently unavailable unless the cancellations are overturned by Congress... which is unlikely.

Of particular concern was the President's line item veto of 38 military construction projects, and the questionable rationale underlying many of the vetoes. The President's cancellations amount to roughly 287 million dollars, or three percent of the total MilCon bill. Over 85 percent of the military construction funds canceled by the President supported projects in the Administration's own five-year plan. And contrary to the President's expressed criteria, many of these projects are executable beginning this fiscal year.

It is a well documented reality that military infrastructure is being neglected. In fact, the President's budget request for fiscal year 1998 was \$1.6 billion less than fiscal year 1997 spending levels. Of course, the result of the years of neglect is to ask an increasing number of our men and women in uniform and their families to live and work in antiquated facilities. What is so frustrating is that instead of working with Congress in the face of this intolerable situation, the President chose confrontation.

Our distinguished witnesses today are the principal financial control officers from the military services. I would note for the record that both the Director of the Office of Management and Budget, Franklin Raines, and the Deputy Secretary of Defense, John Hamre, were invited to testify this morning. Both declined to appear and neither OMB nor the Defense Department offered appropriate witnesses in their place.

Nonetheless, we are fortunate that our witnesses here today were available. While our witnesses today should not be expected to answer questions that require characterizing or judging the President's decisions, they are certainly able to answer questions as to the procedures utilized by the Defense Department, as well as questions concerning the nature and value of the specific projects which were canceled by the President.